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Native Community Branch Native Small Business Centres Program (NSBC)

Government
Publications

Ontario Ministry of Citizenship

Background



The Native Small Business Centres Program (NSBC) is one of two Native-specific components of the Community Facilities Improvement Program. Information on the other community-based capital program is provided under a separate brochure.

Administered by the Native Community Branch, Ministry

of Citizenship, NSBC is a capital program which has been designed to assist Native communities and organizations to develop specific economic infrastructure projects across Ontario.

The following are some general questions and answers that will help explain the program:

How can the program help my community?

NSBC will assist your community to develop a small business centre or business park as a component of its overall economic development strategy.

These facilities aid the early stages of small businesses by providing rental space, shared services and business counselling assistance. The primary

difference between a small business centre and a business park is that the former rents facility space and the latter rents land.

Grants may also be provided for a feasibility study of a small business centre or business park.

Can the program be used to finance the construction, acquisition and/or renovation of a small business centre?

Yes, NSBC will provide financial assistance for the construction, acquisition and/or renovation of a small business centre, with the exception that the purchase of an operating small business or commercial retail centre is ineligible. Under certain

circumstances, an applicant may also consider renting or leasing a building or portable facility for its small business centre.

NSBC will also fund the development or expansion of a business park.

Who is eligible to apply?

An applicant must be a local Native non-profit community organization, such as: an Indian Band, a local of the Ontario Metis Aboriginal Association (OMAA) or the Ontario Native Women's

Association (ONWA), or a local development corporation. An applicant must have been incorporated at least two years before applying, and possess a good track record.

What type of assistance is available?

- Funding for a **small business centre or business park** may be 75% of eligible capital costs to a maximum level of \$250,000.
- Assistance for **studies** may be 75% of eligible project costs to a maximum of \$50,000.

Where a project has received funding for a feasibility study,

the maximum eligible grant will be reduced by the amount already advanced for the study.

Assistance may only be provided to that portion of the facility to be used for an eligible project category. In the case of a multi-purpose complex, a pro-rating formula will be used to calculate eligibility.

Is stacking of funds allowed?

Yes. Grants from other government programs may be permitted, but the total federal and provincial government assistance must not exceed 90% of

the total eligible NSBC project cost. Total funding from provincial sources must not exceed 75% of the total eligible NSBC project cost.

How should an application be made?

Contact your nearest NCB field office representative to request an application kit. Addresses for all NCB field offices are located at the end of this brochure.

Applicants are encouraged to work closely with the NCB field office in the development of their project prior to submitting their application.

What is the approval process?

Applications will be reviewed quarterly and approved by the Minister of Citizenship. Applicants are advised to

submit their applications at least two months prior to the review dates as outlined in the program guidelines.

How does an eligible applicant qualify?

The basic requirements for an application to NSBC are:

- A needs analysis of the Native community demonstrating local demand.
- A community plan identifying how the proposed project meets the plan's objectives and/or priorities.
- A feasibility study which demonstrates the self-sufficiency of the project.
- Completion of a NSBC application form and the Ministry's Project Checklist for Capital Applications.

- A set of schematic and/or working drawings prepared by a qualified, arms-length architect, and a complete listing of all project costs.
- A management plan, including operational strategies and three-year pro forma financial statements (balance sheet, income statement and cash flow statement.)
- For feasibility studies, satisfactory evidence that the applicant is committed to completing the project if the study is favourable.

What are the conditions of the grant?

An organization must submit evidence of being incorporated for at least two years before applying, and submit financial statements confirming their financial management capability.

An applicant must demonstrate that it has the ability to finance the balance of the capital costs of the project, and will be expected to sign the letter of attachment outlining the terms

and conditions of the repayable grant and the responsibilities and obligations of both the recipient and the Ministry.

Only one application will be accepted per community per sub-program. If there are several Native organizations that have a common client community, the application must be either jointly submitted or endorsed by all of the relevant organizations.



Native Small Business Centres Program (NSBC) Repayable Grant Application

A Applicant Organization Information

Please read carefully and complete all sections of the application. Refer to the Applicant's Guide for assistance in preparing the application. Attach your organization's bylaws and/or letters patent, and a list of your Board of Directors or Executive stating name, title, address and telephone number.

Name of Applicant Organization	Telephone No. (include area code)							
<p>Indicate which of the following most closely describes your organization's membership.</p> <table border="0"> <tr> <td><input type="checkbox"/> Status Indian</td> <td><input type="checkbox"/> Metis/Non-Status Indian</td> <td><input type="checkbox"/> Inuit</td> <td><input type="checkbox"/> Organization</td> <td><input type="checkbox"/> Fed.</td> <td><input type="checkbox"/> Prov.</td> <td>Incorporation No.</td> </tr> </table>		<input type="checkbox"/> Status Indian	<input type="checkbox"/> Metis/Non-Status Indian	<input type="checkbox"/> Inuit	<input type="checkbox"/> Organization	<input type="checkbox"/> Fed.	<input type="checkbox"/> Prov.	Incorporation No.
<input type="checkbox"/> Status Indian	<input type="checkbox"/> Metis/Non-Status Indian	<input type="checkbox"/> Inuit	<input type="checkbox"/> Organization	<input type="checkbox"/> Fed.	<input type="checkbox"/> Prov.	Incorporation No.		
Name of Band (where applicable)	Band Number							

City or Town		Postal Code
Name of Person to be contacted regarding this grant.	Title	Telephone No. (include area code)
Address (if different from above)		
City or Town		Postal Code

B Project Description

Name of Project					
Address or Location of Project				<input type="checkbox"/> On Reserve	<input type="checkbox"/> Off Reserve
Type of Project (check one)	Project Description (check one)				
<input type="checkbox"/> Small Business Centre <input type="checkbox"/> Business Park	<input type="checkbox"/> Construction	<input type="checkbox"/> Expansion	<input type="checkbox"/> Acquisition	<input type="checkbox"/> Renovation	<input type="checkbox"/> Feasibility study
Describe the project in detail. Please attach architect's schematic drawings (attach additional paper if necessary).					

Is this facility part of a larger complex/Park?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name of Complex/Park
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Describe all of the functions of the complex/Park.

Amount Requested \$	Funds required by (Please note that applications must be submitted two months prior to the quarterly review dates).
Project Start Date	Completion Date (Please note that all projects undertaken must be completed within 18 months of commencement).

Forecast of Operating Budget

Provide a detailed statement of the annual operating costs associated with or arising from this project. Indicate who will be responsible for these costs and how these costs will be met. Documents attached.

Estimated Jobs Created (Person Years)		Part-time		Total Estimated Positions Created	
Full-time		Male	Female	Male	Female
Male	Female	Male	Female	Male	Female

C. Summary of Estimated Project Cost/Value

If your project is approved, commitments for funding will be given according to the repayable grant funding formula and will be based on the estimated cost of the project indicated below. Such commitments will be up to a maximum amount and cannot subsequently be increased, should project costs rise for any reason. Project changes may not be made without first obtaining written consent from the Minister.

Identify how you have calculated the estimated project cost. Copies of at least three tenders or price quotations must be attached for all expenditure categories. A maximum contingency allowance of 10% may be included, however, refundable sales tax, interest and financing charges must be excluded. Should actual project costs be less than estimated, the maximum grant payable will be reduced based on a percentage formula of the total approved eligible costs.

Documents attached

The anticipated expenditures of this project:

Feasibility Studies

a) Consultant Fees	\$
b) Consultant Expenses	\$
q) Total	\$

Capital Projects

a) Land/Building Purchase	\$
b) Facility Construction/Additions/Renovations	\$
c) Professional Fees	\$
d) Sub-total	\$
e) Contingency allowance (max. 10%)	\$
f) Donated Labour	Unskilled + Skilled = \$
g) Donated Material	\$
h) Total Project Value	\$
i) Total Eligible Project Value	\$

The anticipated financing of this project:

j) Cash	\$
k) Donated Labour	Unskilled + Skilled = \$
l) Donated Material	\$
m) Loans, Mortgages, etc. (specify)	\$
n) Other Sources (specify)	\$
o) Other Provincial Grants	Program Program \$
p) Federal Grants	Program Program \$
q) Total	\$
r) Funding Request for NSBC (i) - (q) = (r)	\$

D. Terms and Conditions

1. Terms Applying To All Applicants

a. Definitions

"Applicant" means a local Native non-profit community organization that has submitted a repayable grant application to the Ministry.

"Canadian Content" means all Canadian labour, material, transportation costs, duty, taxes and profits. It is the value of the supplier's net selling price minus the declared value of any imported goods or services.

"Facilities" means the land and buildings for which a grant is made.

"Grant and Repayable Grant" mean grants provided to a recipient which may become repayable if any of the terms and conditions outlined in the Minister's letter of approval, any attachments thereto, and in any subsequent correspondence from the Ministry are breached.

"Ministry and Minister" mean the Ontario Ministry and Minister of Citizenship.

"Project" means the Project as described in the Minister's letter of approval, in any attachments thereto, and in any subsequent correspondence from the Ministry.

"Recipient" means the applicant organization which has submitted this application, has agreed to be bound by these terms and conditions outlined in the Minister's letter of approval, attachments thereto, and in any subsequent correspondence, and has been awarded a repayable grant by the Ministry of Citizenship.

b. Purpose of Grants

Grants shall be used only for the purposes outlined in the Minister's letter of approval, any attachments thereto, and in any subsequent correspondence from the Ministry. Changes in the project shall only be made with the Ministry's written approval.

c. Timing of Terms and Conditions

These terms and conditions shall be in effect for five (5) years from the date of the Minister's letter of approval unless stipulated otherwise in the Minister's letter of approval or in any attachments thereto.

d. Credit to Ministry

The recipient shall acknowledge the support of the Government of Ontario through the Ministry of Citizenship, in all advertising, publicity and construction signs relating to the project, in any permanent tribute to donors displayed on the site, as well as in any final study report.

e. Disposal of Assets

The recipient shall not sell or dispose of the facilities without the Ministry's prior written consent. The recipient shall not mortgage or encumber the facilities for more than the total market value of the facilities minus the amount of the grant.

f. Assignment of Grant

The applicant/recipient shall not assign this application or the grant without prior written consent of the Ministry.

g. Further Conditions

The Ministry shall be entitled to impose such additional terms and conditions to the use of the grant which, in its sole discretion, it deems necessary and shall be entitled to impose such terms and conditions on any consent granted pursuant to this application.

h. Grant Repayment

The recipient shall, at the request of the Ministry, repay to the Ministry the whole or any part of the grant if the recipient:

- if the applicant breaches any of the conditions laid out in these guidelines, the Minister's letter of offer or in any attachments thereto;
- ceases to operate as a non-profit corporation;
- in the event that all or part of the project is sold, ceases to operate, is wound up or dissolved, enters bankruptcy;
- if funds were misused, or funds were obtained by providing false information; and/or
- if funds were used for purposes not agreed upon by the Ministry.

Where required, the grant shall be repaid by cheque payable to the Treasurer of Ontario and mailed to:

Finance Branch
Ministry of Citizenship
77 Bloor St. West, 4th Floor
Toronto, Ontario
M7A 2R9

The Ministry reserves the right to demand interest on any amount owing by the recipient to the Ministry at the current rate charged by the Province of Ontario on accounts receivable.

i. Unused Funds

Any unused portion of the grant remains the property of the Ministry and, if already paid to the recipient by the Ministry, shall be repaid to the Ministry.

j. Installments

The grant shall be paid in installments at the discretion of the Ministry. The project shall begin before the end of the fiscal year in which the grant becomes payable or all remaining installments may be cancelled. However, no grant shall be paid if the project has begun before a complete application has been received and approved by the Ministry.

Projects may be carried over the end of the fiscal year, with prior approval from the Ministry, however, all projects must be completed and funds disbursed within eighteen months after the Attachment Letter of Offer has been signed by the applicant.

k. Accounting

The recipient shall keep and maintain all records, invoices and other documents relating to the grant in a manner consistent with generally accepted accounting principles, and shall maintain such records for a period of five years after completion of the project.

The recipient authorizes the Ministry and its agents at all reasonable times to inspect and copy any records, invoices and documents in the possession or under the control of the recipient, including those of any contractor, which relate to the grant. The right of inspection under this paragraph includes the right to perform a full or partial audit.

Only reasonable and proper direct costs of the project which are substantiated by satisfactory supporting documentation shall be reimbursed.

l. Canadian Content/Tendering Process

The recipient shall conduct a process of competitive pricing or tendering for goods and services relating to the project. In the evaluation of tenders, the recipient shall give an allowance of up to 10% on the price of the tender bids for Canadian content, and shall select the goods and services that represent the best value. The Ministry must be advised if you are not able to comply.

m. Ministry Publicity for Project

The Ministry may make public the name of applicants, descriptions of proposed projects and, for approved projects, the grant amounts.

n. Visits

The Ministry may at all reasonable times conduct site visits during and/or after construction of the project.

o. Consent to Release

The Applicant/Recipient consents to the release of information contained in its application and in any reports submitted under these Terms and Conditions, all pursuant to section 17(2) of the Freedom of Information and Protection of Privacy Act, 1987.

2. Terms Applying to Capital Projects

a. Limitation of Liability, Indemnification and Insurance

The Ministry shall not be liable for any injury, death or

property damage to the recipient, or for any claim by any third party against the recipient; unless it was caused by the negligence or wilful act of an employee or agent of the Ministry while acting within the scope of his/her employment or agency respectively.

The recipient agrees that the Ministry shall not be liable for any incidental, indirect, special or consequential damages, injury or any loss of use, revenue or profit of the recipient arising out of or in any way related to the project.

The recipient agrees that it shall indemnify the Ministry, its employees and agents, against all costs incurred as a result of a claim or proceeding related to the project, unless it was caused by the negligence or wilful act of any employee of the Ministry, while acting within the scope of his/her employment.

The recipient shall maintain both fire and extended coverage insurance in an amount equal to the replacement cost of the facilities, and comprehensive general liability insurance of at least \$1,000,000.00 per occurrence for bodily injury (including personal injury), death, and damage to property including loss of use thereof, and automobile liability insurance.

If requested by the Ministry, the recipient shall provide satisfactory proof of such insurance. The recipient shall provide notice to the Ministry immediately upon change or cancellation of the insurance.

b. Reports

The recipient shall submit interim reports to the Ministry upon request. The recipient shall report to the Ministry within one year of completing the project. The report shall include photographs of the completed facilities, provide details of how the support of the Ministry has been acknowledged and give all other details requested by the Ministry.

3. Terms Applying Only to Study Projects

a. Limitation of Liability, Indemnification and Insurance

The Ministry shall not be liable for any injury, death or property damage to the recipient, or for any claim by any third party against the recipient, unless it was caused by the negligence or wilful act of an employee or agent of the Ministry while acting within the scope of his/her employment or agency respectively.

The recipient agrees that the Ministry shall not be liable for any incidental, indirect, special or consequential damages, injury or any loss of use, revenue or profit of the recipient arising out of or in any way related to the project.

The recipient agrees that it shall indemnify the Ministry, its employees and agents, against all costs incurred as a result of a claim or proceeding related to the project, unless it was caused by the negligence or wilful act of an employee of the Ministry, while acting within the scope of his/her employment.

b. Consultant

Study projects shall be undertaken by an arms-length consultant with appropriate professional qualifications and experience.

c. Pre-Consultation: Terms of Reference

Before a study application is deemed complete, applicants shall consult with the Ministry and receive approval for the Terms of Reference.

d. Reports

The recipient shall provide the Ministry with three copies of a draft report for review and comments before completing the final report. The Ministry shall provide comments on the draft report and the recipient shall address and reflect these comments in the final report.

The recipient shall also provide the Ministry with three copies of the final report within one month of the report's completion. The final report shall include acknowledgement of Ministry support.

E Statement by Applicant

On behalf of and with the authority of the organization, I certify that the information given on this application is true, correct and complete in every respect and that the organization agrees to abide by the above terms and conditions governing the repayable grant.

Name of Authorized Official	Position/Title	Signature	Date
Name of Applicant Organization			Date
Corporate Seal or Witness			Date

Checklist for NSBC

To assist you in providing a complete application for consideration by the Ministry of Citizenship, please ensure that the following are included with your application:

- A completed application signed by the authorized official.
- The organization's by-laws or/or letters patent.
- A list of your Board of Directors or Executive stating name, title, address and telephone number.
- Proof of facility ownership (where applicable).
- Previous two years financial statements (audited, if available). The statements should be approved by the Board of Directors or Band Council.
- Resolution of the Board of Directors of the applicant organization or Band Council to undertake the project and request a repayable grant.
- Schematic drawings prepared by a qualified arms-length architect.
- A complete listing of the proposed project costs and how they were determined.
- Confirmation of project financing (grants, loans or mortgages).
- For projects involving the expansion or renovation of an existing facility, written confirmation that the organization has the facility insured against property damage and third party liability.
- A development plan, e.g. documentation outlining community economic development priorities, objectives, and strategies.
- A needs assessment study conducted by the applicant organization which demonstrates local demand.
- A feasibility study which demonstrates the self-sufficiency of the project.
- A management plan, including operations strategies.
- Three year pro forma financial statements (balance sheet, income statement, and cash flow statement) for the facility.
- For a feasibility study proposal, Ministry approved terms of reference and copies of proposals submitted by at least three qualified arms-length consultants.

Other attachments:

How will your application be evaluated?

Applications will be ranked according to level of community need, demonstrated

self-sufficiency, and geographic location.

How long will the program run?

The program will commence on April 01, 1988 and expire when the \$2.5 million has been allocated or on March 31, 1989 whichever comes first. The program may be extended at the discretion of the Minister.

The information provided in the grant application may be subject to disclosure under Freedom of Information legislation, which was proclaimed in Ontario in 1988.

Native Community Branch Contact Offices

Information and assistance in preparing a NSBC application may be obtained by contacting the nearest Native Community Branch field office. All NSBC applications must be submitted to the appropriate NCB field office.

Northwest Area

Thunder Bay
Area Manager
1825 East Arthur Street
Thunder Bay, Ontario
P7E EN7
Tel: (807)475-1683

Kenora
3rd Floor
227 Second Street South
Kenora, Ontario
P9N 1G1
Tel: (807)468-5568

Fort Frances
Box 613
2nd Floor, 240 Scott Street
Fort Frances, Ontario
P9A 3M9
Tel: (807)274-9732

Geraldton
Box 778
303 Main Street East
Geraldton, Ontario
POT 1MO
Tel: (807)854-0169

Sioux Lookout
34 Front Street East
Sioux Lookout, Ontario
POV 2TO

Northeast Area

Sudbury
Area Manager
4th Floor, 200 Elm Street East
Sudbury, Ontario
P3C 5N3
Tel: (705)675-4349
Toll Free 1-800-461-4027

Timmins
2nd Floor, 22 Wilcox Street
Timmins, Ontario
P4N 3K6
Tel: (705)267-8018

Sault Ste. Marie
3rd Floor
390 Bay Street
Sault Ste. Marie, Ontario
P6A 1X2
Tel: (705)942-0419

Southern Area

Toronto
Area Manager
5th Floor, 77 Bloor Street W.
Toronto, Ontario
M7A 2R9
Tel: (416)965-5003
Toll Free 1-800-268-3747
(ext. 5-5003)

Orillia
15 Matchedash Street N.
Orillia, Ontario
L3V 4T4
Tel: (705)325-9561

London
Suite 601
255 Dufferin Avenue
London, Ontario
N6A 5K6
Tel: (519)679-4349
Toll Free 1-800-265-4731

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D2061 8/88 5M
ISBN 0-7729-4402-4